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08/13/04  
Accrual Basis

Direct Marketing Concepts, Inc.  
**Balance Sheet**  
As of June 30, 2004

	<u>Jun 30, 04</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Cash	175,153.20
Total Checking/Savings	175,153.20
Accounts Receivable	
Accounts Receivable	341,801.09
Total Accounts Receivable	341,801.09
Other Current Assets	
Credit Card Sales Receivable	340,363.69
Employee Advances - Receivable	1,700.00
Product Inventory	1,945,450.00
Total Other Current Assets	2,287,513.69
<b>Total Current Assets</b>	2,804,467.98
<b>Fixed Assets</b>	
Computer Equipment	332,017.93
Office Equipment	219,574.49
Automobiles	78,758.23
Machinery & Equipment	37,567.65
Furniture & Office Equipment	63,764.39
Leasehold Improvements	7,425.00
Accumulated Depreciation	-371,931.00
<b>Total Fixed Assets</b>	367,176.69
<b>Other Assets</b>	
Prepaid Media Buys	344,248.74
Deposits & Intangible Assets	1,119,484.81
<b>Total Other Assets</b>	1,463,733.55
<b>TOTAL ASSETS</b>	<u><u>4,635,378.22</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	2,323,460.13
Total Accounts Payable	2,323,460.13
Credit Cards	
Credit Cards Payable	-2,430.47
Total Credit Cards	-2,430.47
<b>Total Current Liabilities</b>	2,321,029.66

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	<u>Jun 30, 04</u>
Long Term Liabilities	
Notes Payable	<u>73,497.36</u>
Total Long Term Liabilities	<u>73,497.36</u>
Total Liabilities	2,394,527.02
Equity	
Capital Stock	200.00
Retained Earnings	1,866,628.37
Sub-S Corp Property Distrib.	-227,586.04
Net Income	<u>2,649,885.87</u>
Total Equity	<u>2,240,851.20</u>
TOTAL LIABILITIES & EQUITY	<u><u>4,635,378.22</u></u>

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